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C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 001210

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HQSOUTHCOM ALSO FOR POLAD DEPARTMENT PASS TO AID/OTI (RPORTER)

E.O. 12958: DECL: 08/27/2018 TAGS: <u>PREL PGOV SNAR OVIP VE</u>

SUBJECT: SENATOR SPECTER ENGAGES A BROAD CROSS SECTION OF

VENEZUELAN SOCIETY

REF: A. CARACAS 1192 ¶B. CARACAS 1142

CARACAS 00001210 001.2 OF 002

Classified By: ACTING POLITICAL COUNSELOR DANIEL LAWTON, REASONS 1.4 (B) AND (D)

11. (SBU) Summary. During his August 19-23 visit to Caracas, Senator Arlen Specter engaged leaders from religious, business, cultural, political and official government circles. A central theme for Venezuelans in all discussions was the importance of the upcoming November 23 elections in determining the future of Venezuela. The Senator's non-government interlocutors all spoke with great concern about the current economic and political plight of the country. Two members of the National Assembly and the Foreign Minister (Ref A) separately told Specter that they hoped bilateral relations would improve after the U.S. presidential election. President Chavez did not accede to the Senator's meeting request. Throughout his meetings, the Senator stressed the importance of increased communication and cooperation, especially regarding counternarcotics. End Summary.

## A WIDE ARRAY OF MEETINGS

- 12. (C) Amb. Duddy hosted a lunch in the Senator's honor with a group of leading intellectuals and academics. group expressed their concerns regarding the Chavez government, and its most recent actions, especially the enactment of 26 decrees which seemed to revisit points voted down in the December referendum. The analysts also opined that the Chavez government would use all means at its disposal to guarantee their success in the November 23 elections as Chavez continued to move in a more authoritarian direction and toward a command economy. There was also concern expressed regarding the sustainability of current government spending, in light of dropping oil production, a stabilization and possible downturn in prices and increasing government commitments in the pre-electoral period. group also expressed disappointment about the fact that while the opposition had made inroads towards building a national platform, long-standing conflicts between parties and individuals were making the process difficult.
- 13. (C) Senator Specter, accompanied by Amb. Duddy, met with the First Vice President of the National Assembly, Saul Ortega, and the President of the US-Venezuela Parliamentary Friendship Group, Francisco Torreabla. The Venezuelan deputies expressed their interest in deepening existing contacts with the US Congress, and expanding them to include

the Senate. Senator Specter expressed his desire to increase communication and the important role that parliamentarians could play in that process. The Senator also agreed to respond to Vice President Ortega in writing by late September with an action plan for increased communication with the U.S. Senate, including an invitation for the Venezuelan legislators to travel to Washington.

- (C) Senator Specter met with leaders of the Jewish community on August 21. He was hosted by Abraham Levy Benshimol, President of the Confederation of Israelite Associations of Venezuela (CAIV) and David Bittan, Vice President of CAIV. During the meeting with Levy, Bittan, and other community leaders, Specter was told that the Jewish community believed its meeting, along with World Jewish Congress President Ronald Lauder, on August 13 with President Chavez was extremely productive (Ref B). Chavez assured Lauder and Levy that anti-Semitic messages coming from BRV officials did not stem from official BRV policy, and that he himself was not personally anti-Semitic. Chavez also told the group that he disagreed with Iranian President Ahmadinejad,s anti-Israel and anti-Semitic statements, but that he was reluctant to declare his disagreement in public. Levy and Bittan told Specter that Chavez instructed members of his government to act as a liaison between the Jewish community and the government. They also told the Senator that Chavez was considering sending an Ambassador to Israel (note: the last Venezuelan Ambassador to Israel returned to Caracas in 2005).
- 15. (C) The Ambassador also hosted a breakfast with key members of the Primera Justicia Party, including Miranda gubernatorial candidate Henrique Capriles Randonski and David Uzcategui the PJ candidate for mayor of Baruta, a borough of Caracas, who was disqualified for office by the Comptroller

CARACAS 00001210 002.2 OF 002

General. Both Capriles and Uzcategui detailed the steps that had been taken by the government against them, which in Capriles' case included four months of pre-trial detention in 2004 and still pending criminal charges for alleged acts in 12002. Both were clear in highlighting the importance of opposition unity during the November elections. They predicted that the opposition could win as many as eight to ten states, but it would require a level of unity that had been lacking in the past.

16. (C) In an August 22 lunch, Venezuelan-American Chamber of Commerce (Venamcham) leaders acknowledged that the business sector has been doing well (particularly importers) but painted a grim picture of the likely future for Venezuela's economy. One businessman underlined his belief that Venezuela is headed towards Marxism. Most also agreed that Venezuela is headed towards an economic crisis, but said high oil prices have served to defer that reckoning. Any persistent drop in oil prices, coupled with Venezuela's high inflation, would inevitably generate a more serious economic outlook for 2009. The Venamcham leaders also discussed the recent passage of extensive economic legislation under the Enabling Law that expired July 31 as well as the recent round of nationalizations. They noted that Chavez had decreed a number of the measures rejected by the electorate in the December 2007 referendum and was asserting ever greater control over the economy.

## MEDIA COVERAGE

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17. (SBU) Local media coverage of Senator Specter's visit media coverage generally communicated the Senator's objective of reconciliation and dialogue. However, major national daily El Universal also reported the Senator's rejection of President Chavez' insult that President Bush was a "gold medalist in drunkenness" at the Beijing Olympics, a comment that Chavez delivered on public television during the course of Specter's visit. The 24-hour news channel Globovision was

the first to report the visit of the Senator, and El Universal carried three stories on the visit, most notably stressing the Senator's desire to follow up on President Chavez' July 5 overture for better relations, the Senator's meeting with two National Assembly parliamentarians and the Friday afternoon meeting with Foreign Minister Maduro. All press noted that President Chavez did not meet with the Senator, and national dailies El Universal and El Nacional combined that story with the Venezuelan government's denial of visas related to ONDCP Director John Walter's planned visit the following week. A report of Senator Specter's meeting with Foreign Minister Maduro was sent via Septel, (Ref. A).

DUDDY